



Business

Model

Canvas

E101

Mark Zimmerman

@markzim

Generously supported by



**ENTREPRENEURSHIP**

**101**



WEEKLY LECTURES

Wednesdays, 6-7 p.m.

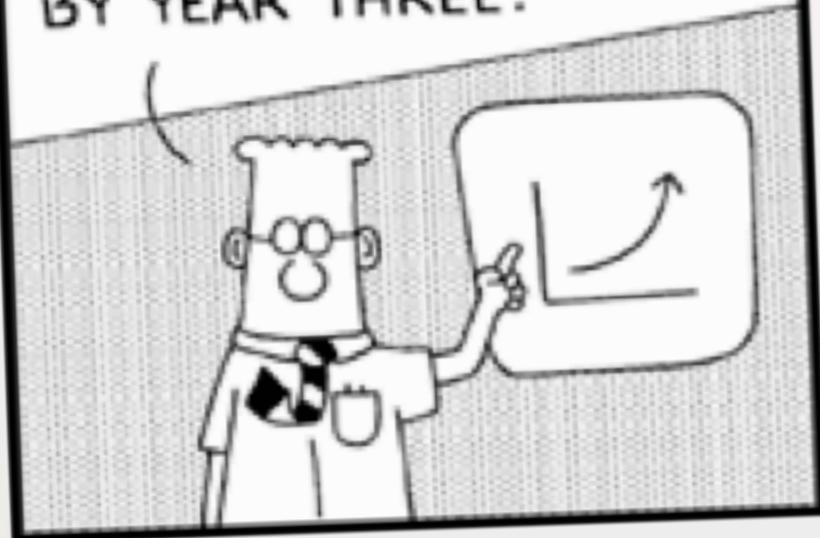


MaRS is a member of





AS REQUESTED, I WROTE THE BUSINESS PLAN TO SHOW PROFITABILITY BY YEAR THREE.



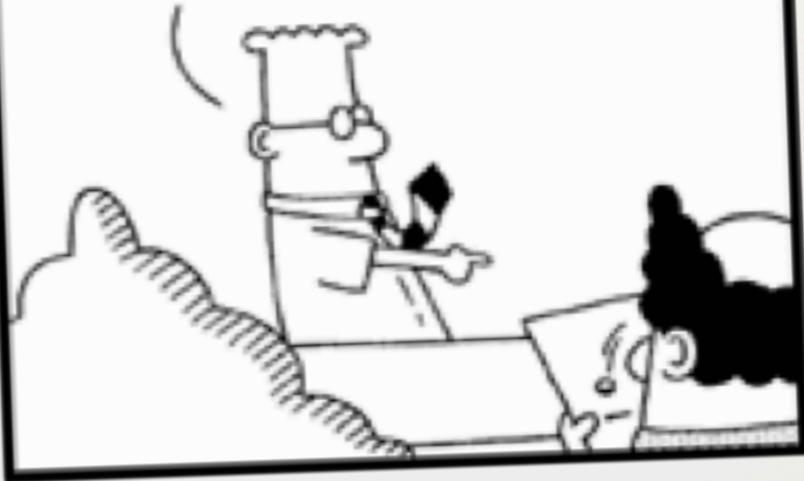
www.dillberL.com scottadams@aol.com

THE KEY REVENUE ASSUMPTION IS THAT AN ARMORED CAR CRASHES THROUGH THAT WALL AND SPILLS ITS CONTENTS.

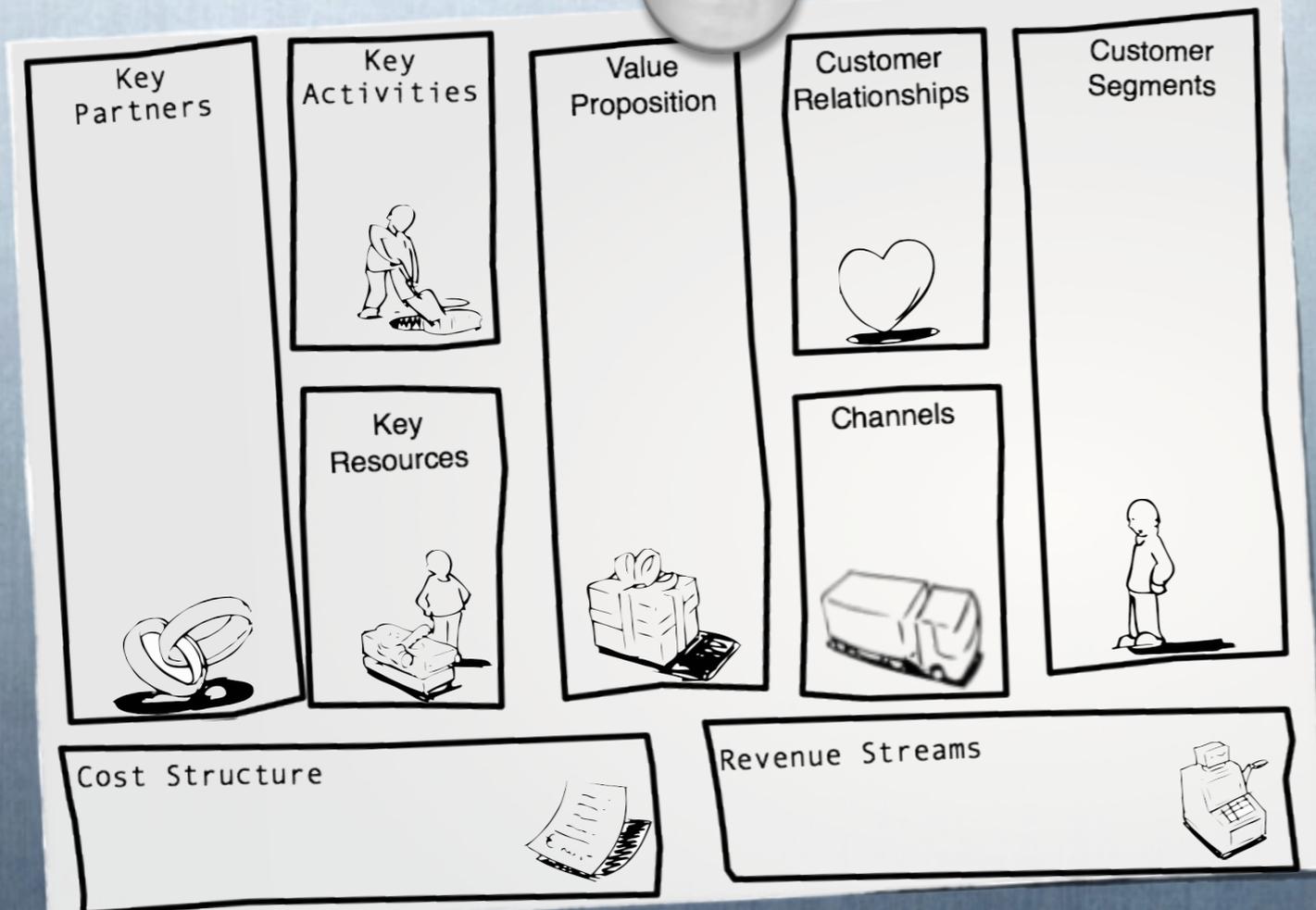
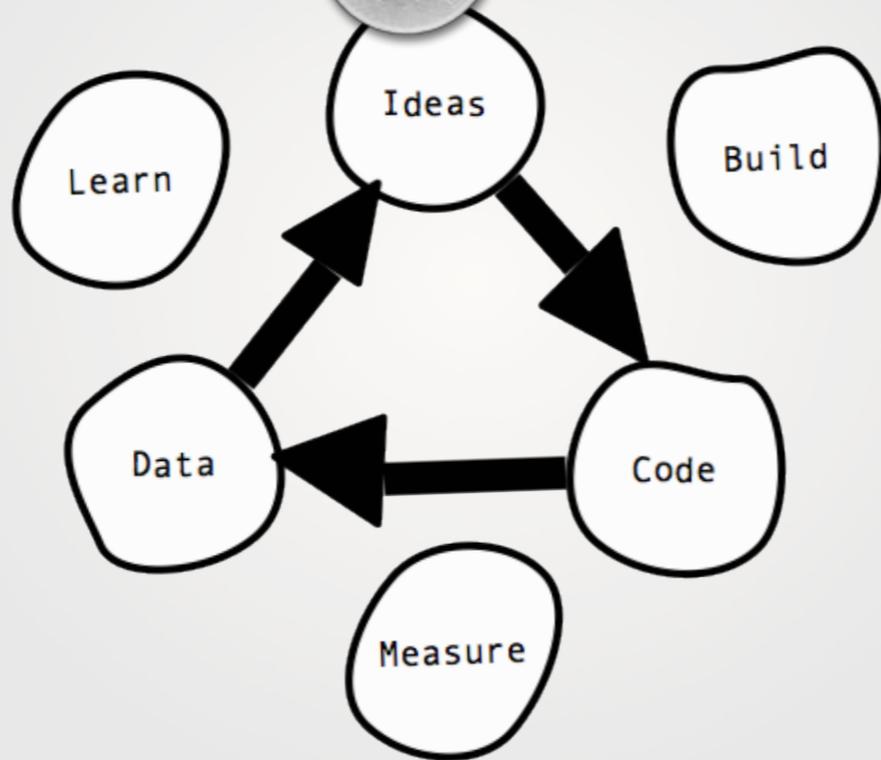


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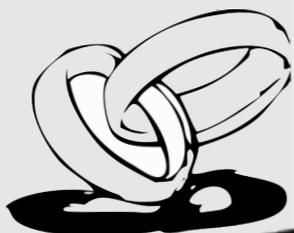
AND DON'T STAND WHERE THE COMET IS ASSUMED TO STRIKE OIL.



MaRS



Key Partners



Key Activities



Key Resources



Value Proposition



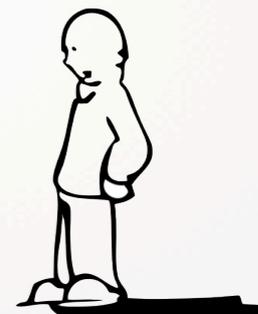
Customer Relationships



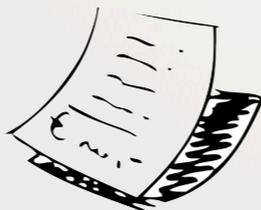
Channels



Customer Segments



Cost Structure



Revenue Streams



Key Partners



Key Activities



Key Resources



Value Proposition



Customer Relationships

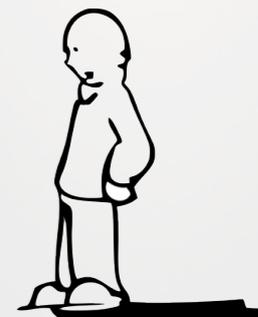


Channels



Customer Segments

X



Cost Structure

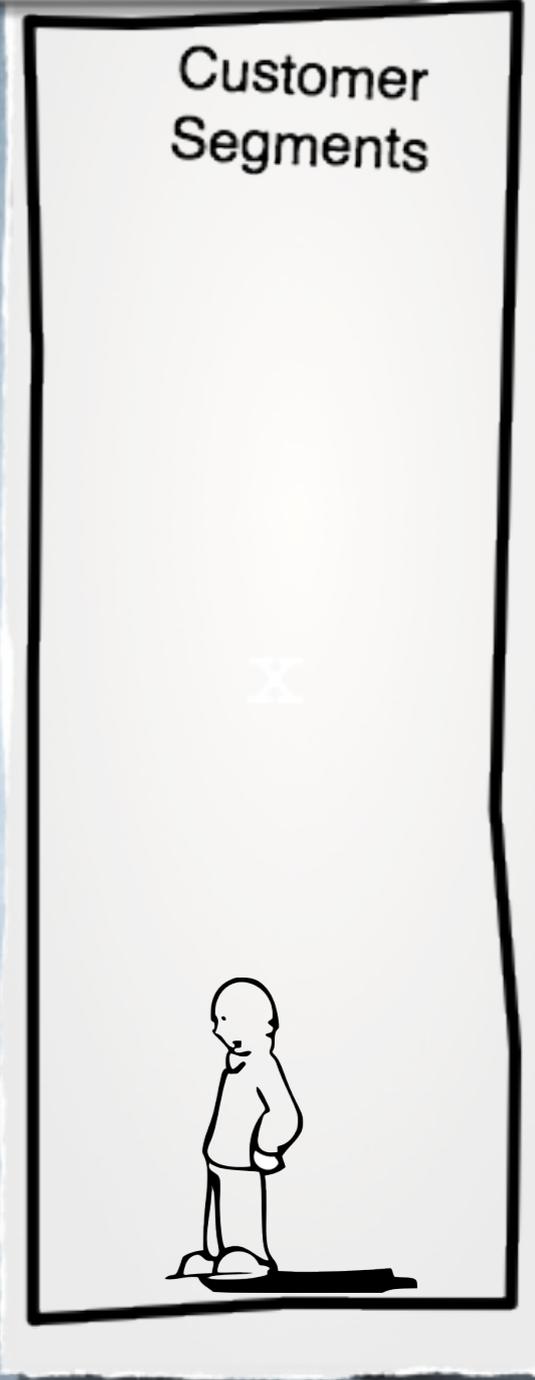


Revenue Streams





Who do you serve?

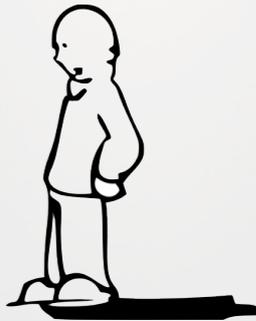




Value Proposition

Customer Segments

x

A simple line drawing of a person standing with their hand to their chin, appearing to be in a state of thought or listening.

What problem do you solve?

What job do you do?





Value

How do customers find you?

How do they buy?

How do you deliver?





Value Proposition

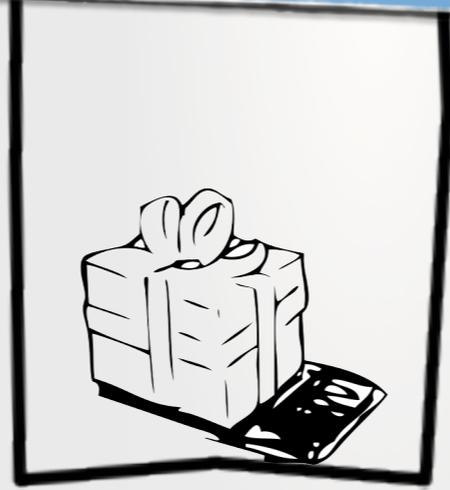
Customer Relationships

Customer Segments

What type of relationships do you have?



Channels





How do you get paid?



Key  
Activities



Value  
Proposition

Customer  
Relationships



Customer  
Segments

X



Channels

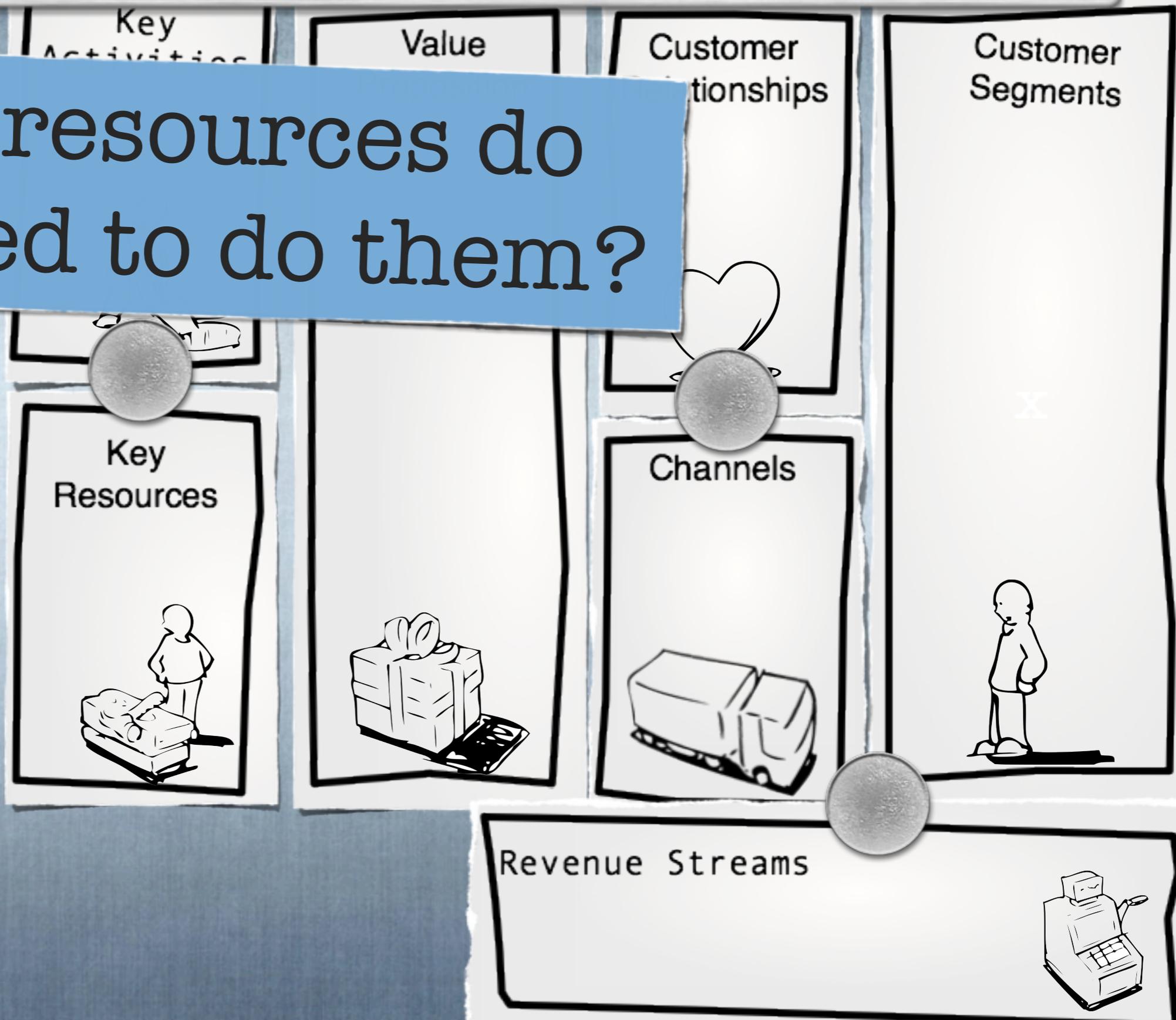


Revenue Streams



What things  
**must** you do?

What resources do you need to do them?



Key Partners

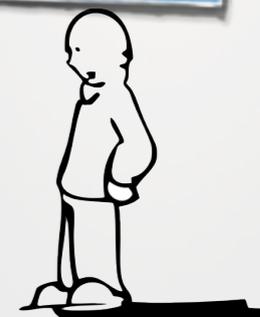
Key Activities

Value Proposition

Customer Relationships

Customer Segments

Who else do you need  
to make your model  
work?



Revenue Streams



Key Partners

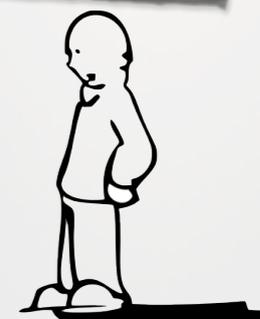
Key Activities

Value Proposition

Customer Relationships

Customer Segments

What does it cost to operate the model?



Cost Structure



Revenue Streams



Key Partners

Key Activities

Value Proposition

Customer Relationships

Customer Segments

What?

How?

Who?

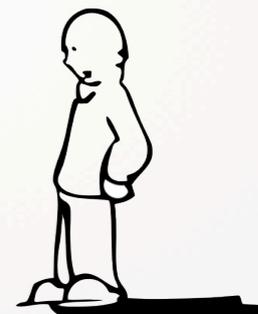
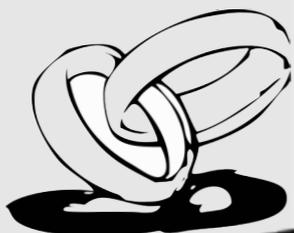
Key Resources

Channels

Why?

Cost Structure

Revenue Streams



Key Partners

Key Activities

Value Proposition

Customer Relationships

Customer Segments

What?

How?

Who?

Key Resources

Channels

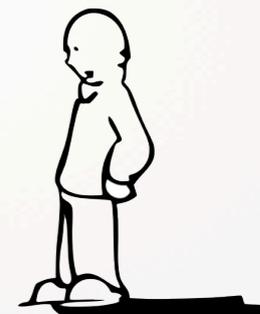
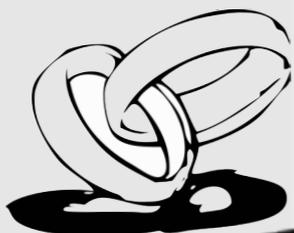
Why?

Cost Structure

Revenue Streams

Social & Environmental Costs

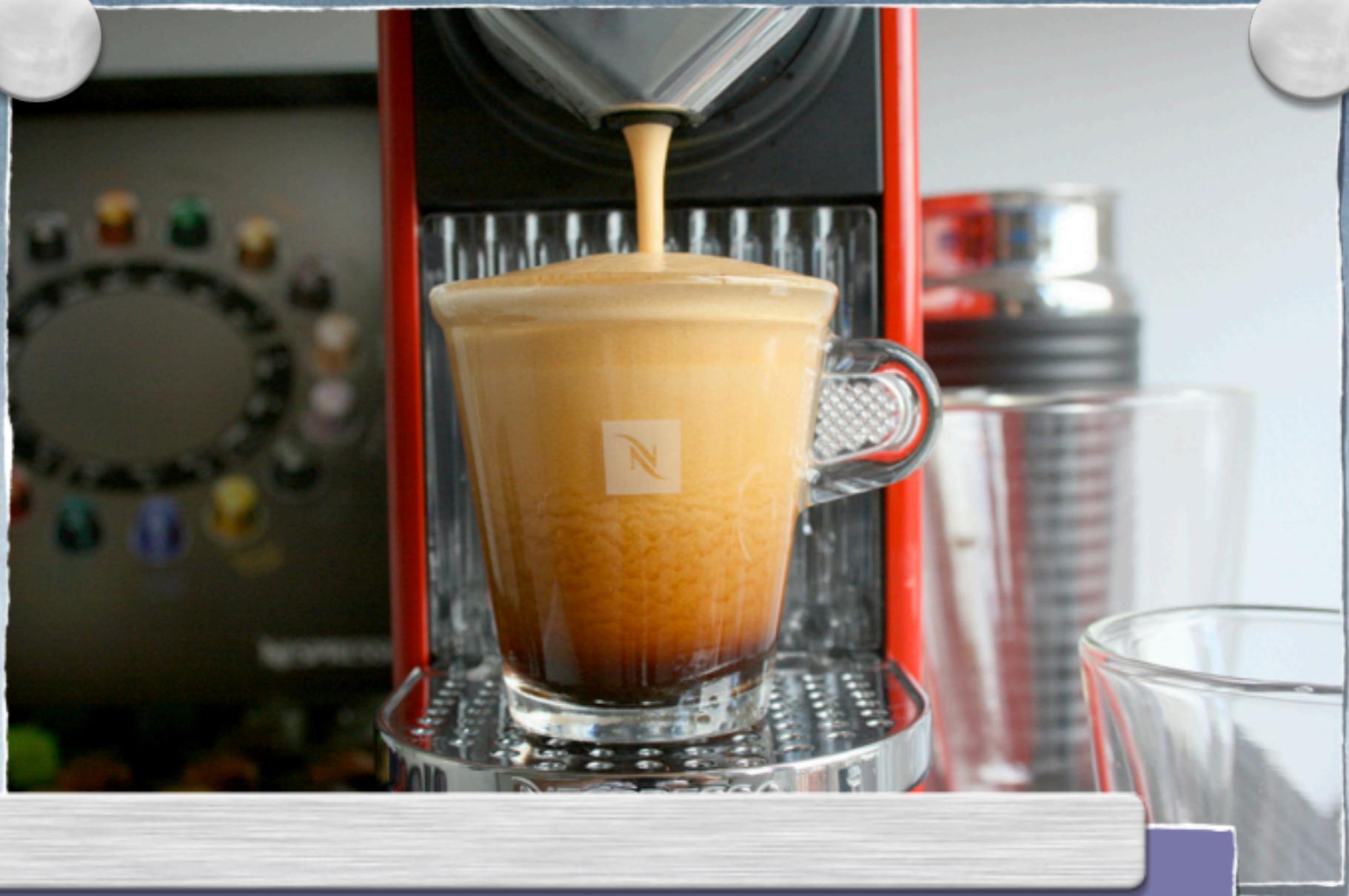
Social & Environmental Benefits



**MaRS**





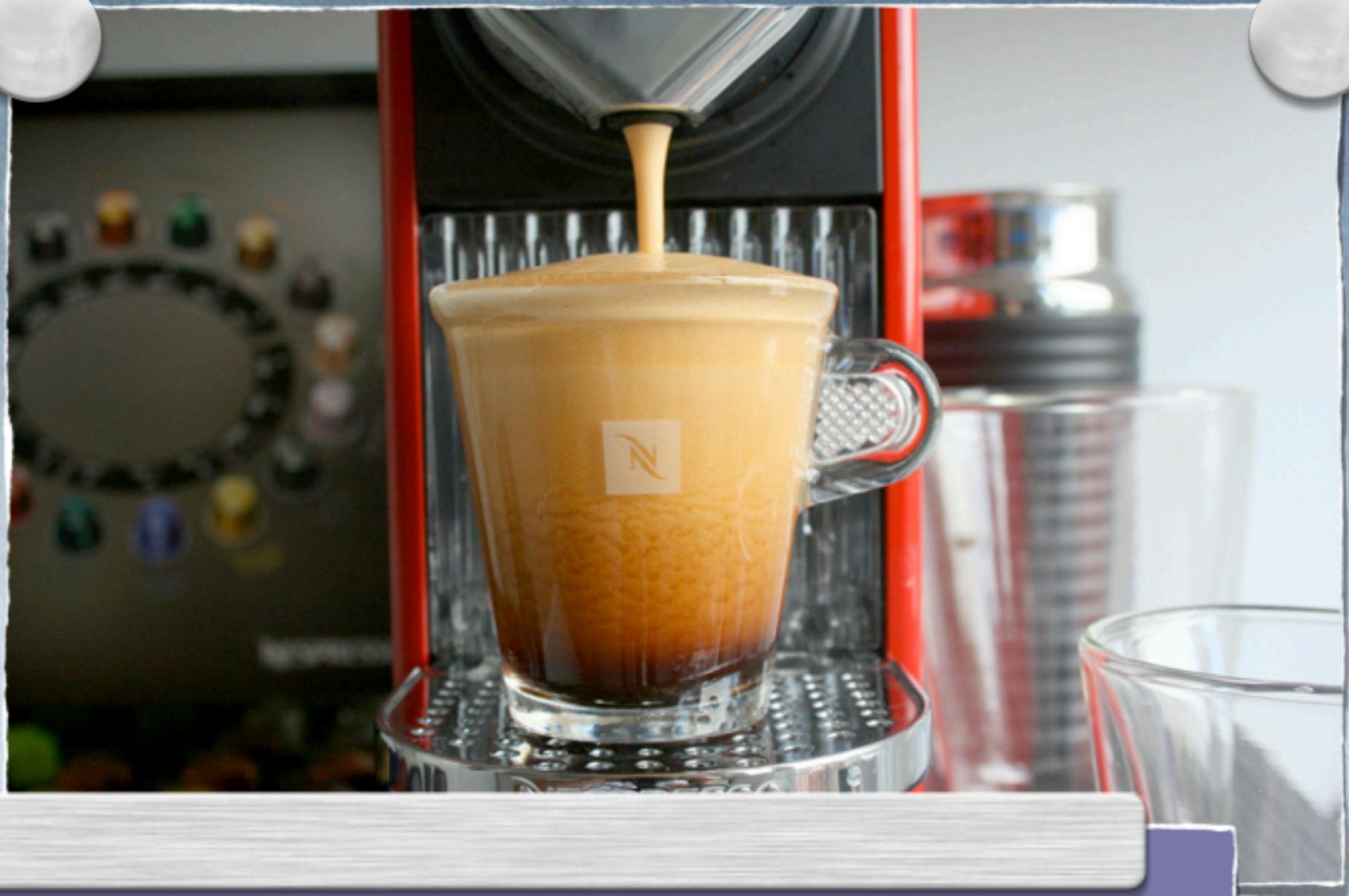


1970 - Invented

1976 - Patented

1986 - Launched

Sold as a complete solution, machines & coffee for a per cup price to restaurants and offices.



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1976 - Patented

1986 - Launched

Sold as a complete solution, machines &  for a per cup price to resta

1988 - Acknowledged dud, Nestle considers shutdown.



1989 - Jean Paul Gaillard named Commercial Director. - “Pivots”

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1976 - Patented

1986 - Launched

Sold as a complete solution, machines & coffee for a per cup price to restaurants

1988 - Acknowledged dud, Nestle considers shutdown.



Separate the machine from the coffee.



Made and serviced by 3rd parties. Sold through independent retail stores. Manufacturers handle delivery and stocking. Nespresso handles sales training.



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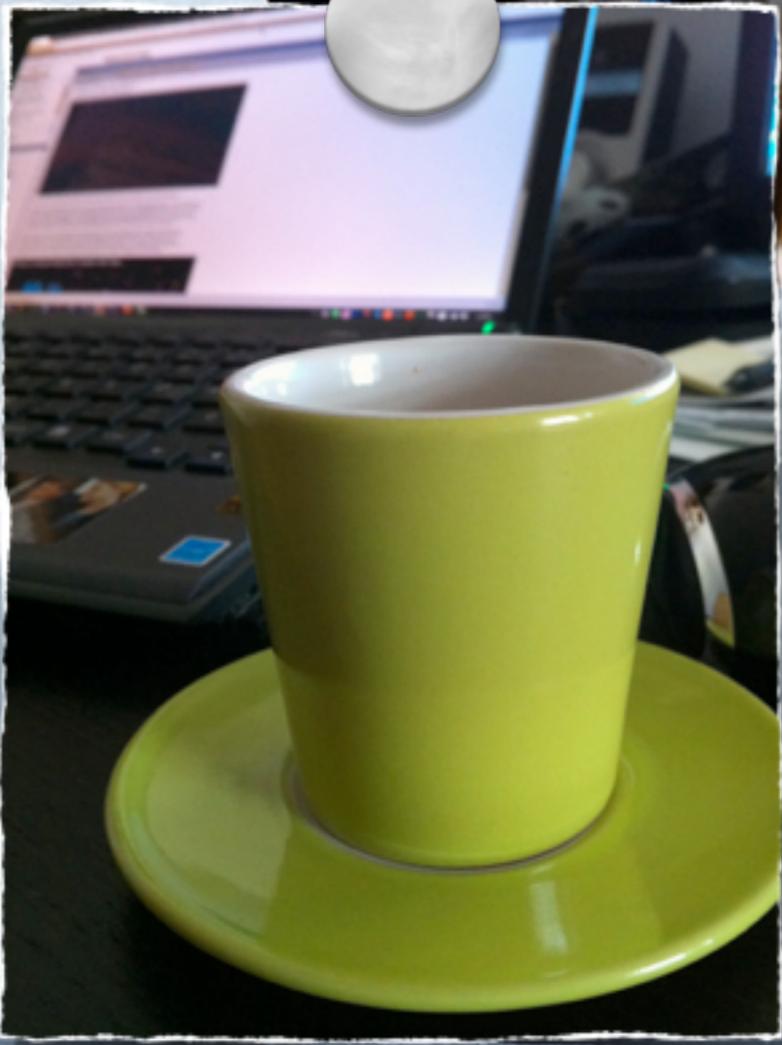
Sold online and over the phone direct to members of the Nespresso Club. Delivered direct to consumers in 24 hours or less.

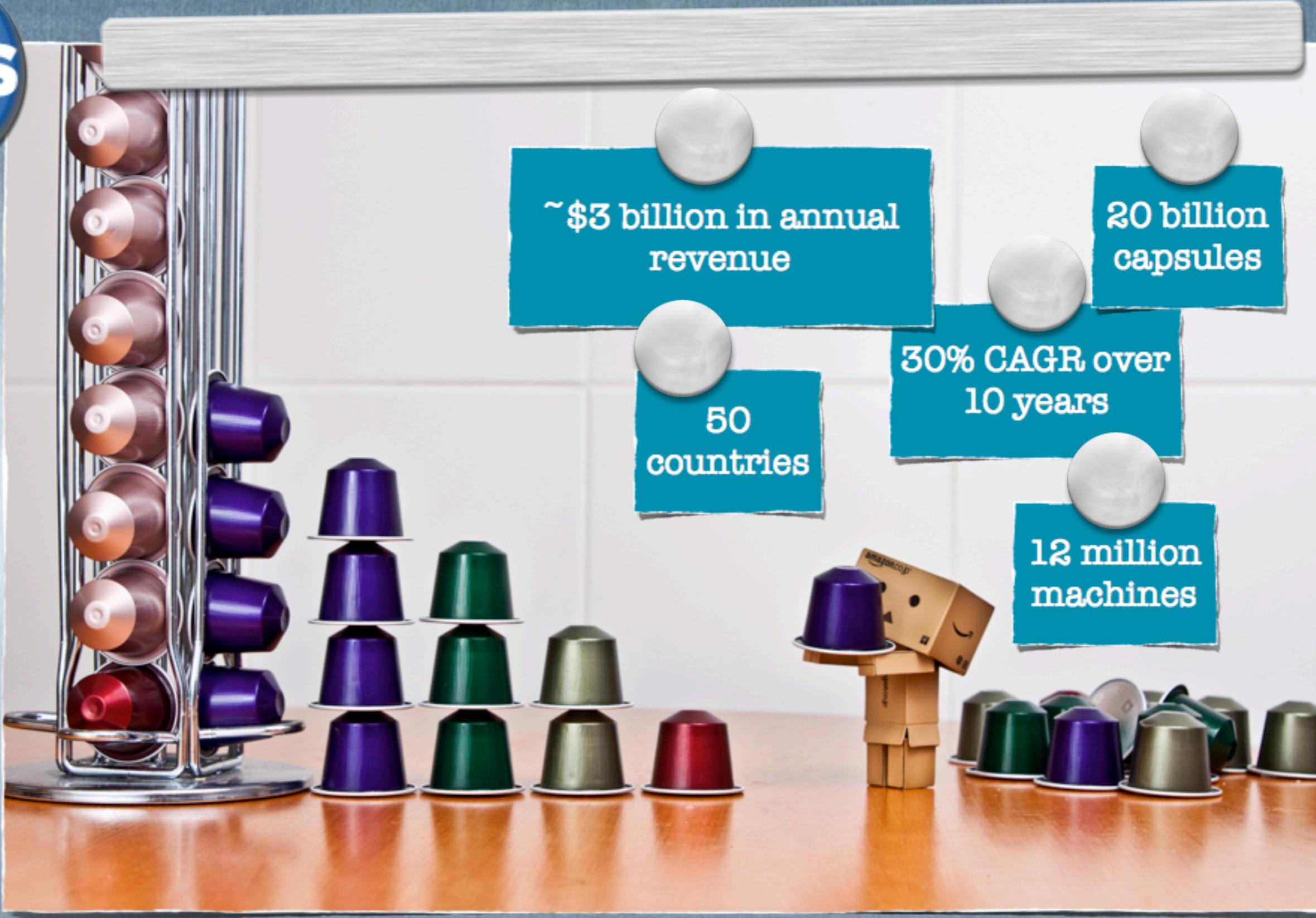


As market matured Nespresso added their own brand machines made by an OEM.

Added it's own retail boutiques to further control the sales message.

Created Nespresso Pro channel to serve the office market.





~\$3 billion in annual revenue

20 billion capsules

30% CAGR over 10 years

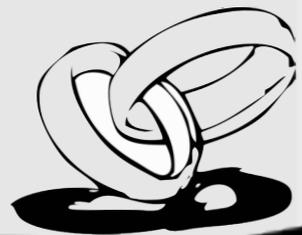
50 countries

12 million machines

Nespresso

Key Partners

Coffee machine makers



Key Activities

marketing

production

logistics



distribution

Resources

brand

patents

production plants



Value Proposition

high end restaurant quality espresso at home



Customer Relationships

member



retail

nespresso.co

call centre

nespresso boutiques

Customer Segments

high end households



Cost Structure

distribution & sales

manufacturing

marketing

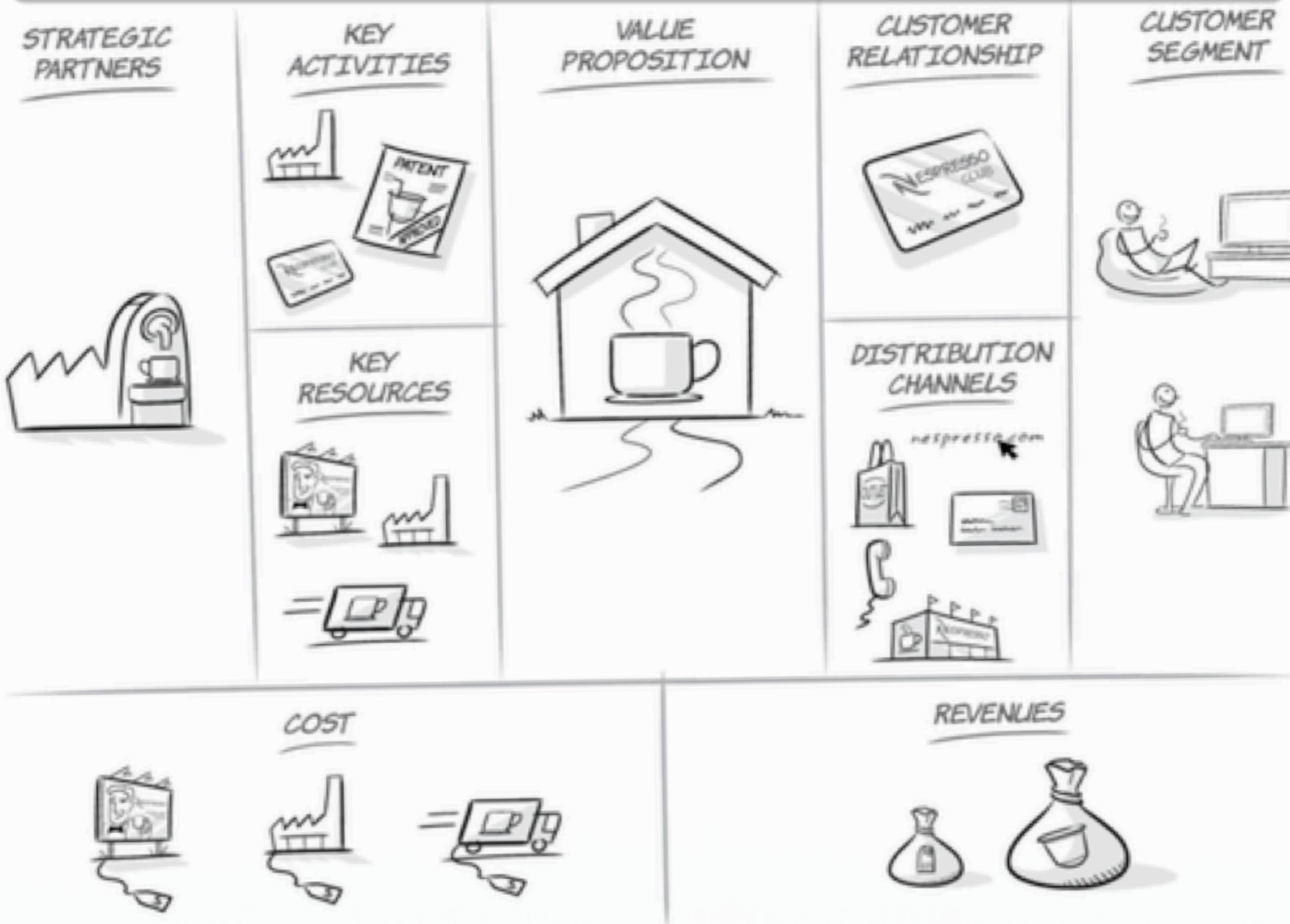


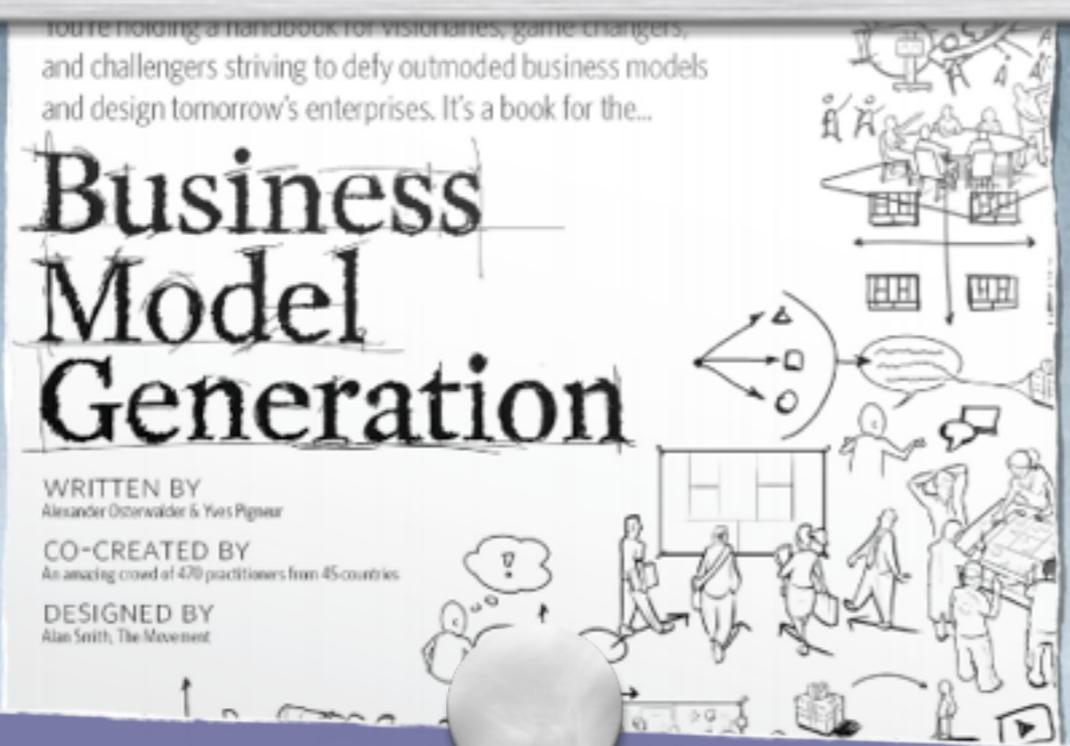
Revenue Streams

capsule sales

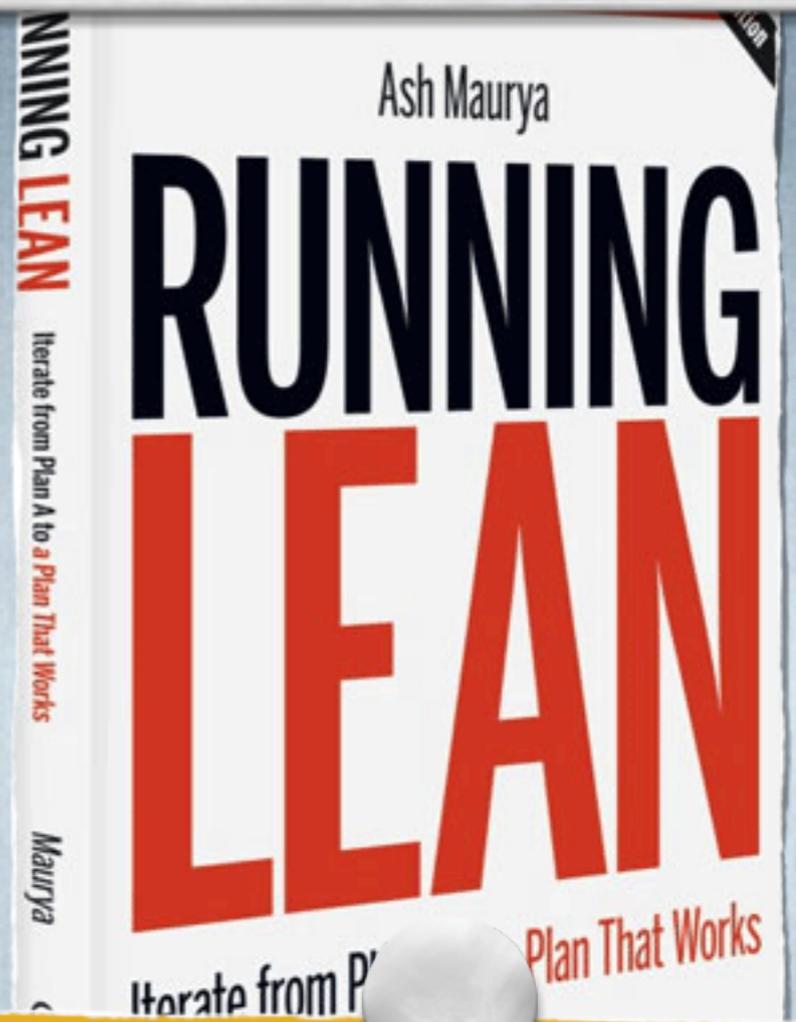
hardware sales







Business Model Generation  
Alexander Osterwalder &  
Yves Pigneur



Running Lean  
Ash Maurya



Thank You.

Mark Zimmerman

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